



DEC 10 2012

The Honorable John R. Kasich
Governor of Ohio
Riffe Center
30th Floor
77 South High Street
Columbus, Ohio 43215-6117

Dear Governor Kasich:

This letter provides approval of Ohio's State Integrated Workforce Plan for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including the W-P Agricultural Outreach Plan, plans for coordination with Trade Adjustment Assistance (TAA), and Title V of the Older Americans Act. The Employment and Training Administration (ETA) received the State Integrated Workforce Plan on September 17, 2012. This letter also responds to Ohio's WIA waiver requests.

Training and Employment Guidance Letter (TEGL) No. 21-11, issued on March 27, 2012, and TEGL No. 21-11, Change 1 issued on August 8, 2012, provide guidance for states to submit their State Workforce Plans and waivers for Program Year (P.Y.) 2012 and beyond. We appreciate the State's responsiveness to this guidance.

Plan Review and Approval

ETA has reviewed the Ohio State Integrated Workforce Plan in accordance with Title I of WIA, the Wagner-Peyser Act, the Trade Act (as amended), the corresponding regulations, the State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act, and Department of Labor Workforce Programs (<http://www.doleta.gov/usworkforce/wia-planning/docs/integrated-planning-guidance.pdf>), Title V of the Older Americans Act and corresponding regulations, and TEGL No. 21-11, and the corresponding Change 1. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822), and WIA Section 501 (20 USC 9271) which pertains to State Unified Plans, that ETA is approving those portions of the Ohio State Integrated Workforce Plan that relate to Title I of the WIA, the Wagner-Peyser Act, and TAA for Program Years 2012-2016, July 1, 2012 through June 30, 2017. The annual W-P Agricultural Outreach Plan is approved for the period July 1, 2012 through June 30, 2013. The Senior Community Service Employment Program (SCSEP) State Plan has been reviewed by both ETA and the Administration on Aging, and is approved for Program Years 2012-2015, July 1, 2012 through June 30, 2016. The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017.

Performance Levels

Program performance goals for PY 2012 WIA and Wagner-Peyser have been reached in negotiations between the ETA Administrator and your state workforce agency. Ohio's goals were transmitted to the agency in the Regional Administrator's letter dated October 19, 2012. This letter also indicates that Ohio's final performance goals for PY 2012 will be incorporated into the Regional and National Office copies of the State Integrated Workforce Plan. Please include these final PY 2012 goals in the State's official copy of the State Plan. For your convenience, your final negotiated performance goals are enclosed with this letter.

Waivers

As part of Ohio's State Integrated Workforce Plan, the State submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's request for waivers is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the Wagner-Peyser Act.

Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State requested a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted an approval of this waiver through June 30, 2017. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The State requested a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. The State is granted an approval of this waiver through June 30, 2017. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-100 employees. For employers with more than 100 employees, the current statutory requirements (50 percent contribution) continue to apply. When determining the funding source for customized training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local areas may provide customized training to individuals 18 years of age or older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local areas may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA Section 134(a) to permit local areas to use a portion of local funds for incumbent worker training.

The State requested a waiver to permit local areas to conduct allowable statewide activities as defined under WIA Section 134(a)(3) with local WIA formula funding, specifically incumbent worker training. The State is granted an approval of this waiver through June 30, 2017. Under this waiver, the State is permitted to allow local areas to use up to 20 percent of local Dislocated Worker funds for incumbent worker training only as part of a layoff aversion strategy. ETA believes limiting incumbent worker training to the specified level and requiring it to be a part of layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. Local areas must continue to conduct the required local employment and training activities at WIA Section 134(d), and the State is required to report performance outcomes for any individual served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provide policy guidance related to implementation of this waiver.

Waiver of WIA Section 134(a)(1)(A) to permit a portion of the funds reserved for rapid response activities to be used for incumbent worker training.

The State requested a waiver to permit use of rapid response funds to conduct allowable statewide activities as defined under WIA Section 134(a)(3), specifically incumbent worker training. The State is granted an approval of this waiver through June 30, 2017. Under this waiver, the State is permitted to use up to 20 percent of rapid response funds for incumbent worker training only as part of a layoff aversion strategy. ETA believes limiting incumbent worker training to layoff aversion is the best use of funds in the current economic climate where serving unemployed workers is a paramount responsibility of the workforce system. All training delivered under this waiver is restricted to skill attainment activities. The State is required to report performance outcomes for any incumbent workers served under this waiver in the Workforce Investment Act Standardized Record Data system (WIASRD), field 309. TEGL No. 26-09, Section 7A, "Workforce Investment Act (WIA) Waiver Policy and Waiver Decisions for PY 2009 and 2010" and TEGL No. 30-09, "Layoff Aversion Definition and the Appropriate Use of Incumbent Worker Training for Layoff Aversion Using a Waiver" provide policy guidance related to implementation of this waiver.

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State requested a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted an approval of this waiver through June 30, 2017. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The State requested a waiver of the requirement for competitive procurement of service providers for three of the ten youth program elements: supportive services, follow-up services, and work experience. The State is granted an approval of this waiver through June 30, 2017. Under this waiver, the State is permitted to allow its One-Stop Career Centers or partner agencies to directly provide the above youth program elements. In utilizing this waiver, the State and local areas must still meet Office of Management and Budget requirements (codified in 29 CFR 95.40-95.48 and 97.36) and all state and local procurement laws and policies.

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State requested a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted an approval of this waiver through June 30, 2017.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

Waiver of 20 CFR 666 and 667.300(a) to reduce the collection of participant data for incumbent workers.

The State requested a waiver of the requirements to reduce the data collection burden for employers participating in WIA-funded incumbent worker training programs. The waiver permits the State to discontinue the collection of the following Workforce Investment Act Standardized Record Data (WIASRD) elements: single parent (117), unemployment compensation eligible status at participation (118), low income (119), TANF (120), other public assistance (121), homeless individual and/or runaway (125), and offender (126). The State is granted an approval of this waiver through June 30, 2017.

Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State requested a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted an approval of this waiver through June 30, 2017. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.

The State requested a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted an approval of this waiver through June 30, 2017. Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local areas may provide on-the-job training to individuals 18 years of age or older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local areas may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200(d) to exempt the state from the requirement to conduct evaluations.

The State requested a waiver of the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers, and youth in order to establish and promote continuous improvement of the statewide workforce investment system. The State is granted an approval of this waiver through June 30, 2013.

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a state from the requirement to provide local workforce investment area incentive grants.

The State requested a waiver of the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance. The State is granted an approval of this waiver through June 30, 2013.

Waiver of 20 CFR 665.200(b)(3) to exempt the state from the requirement to disseminate training provider performance and cost information.

The State requested a waiver of the requirement to disseminate training provider performance and cost information. ETA is unable to make a determination with the information provided in

the request. The waiver request includes activities that are outside the scope of this waiver. TEGL 26-09, Change 1, provides guidance on the required information for this waiver, and the ETA Regional Office is available to answer questions regarding additional needed information.

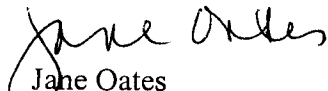
Waiver of Six Month Limit on Employment for Disaster National Emergency Grants

The State has withdrawn this request.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and are incorporated into the State Integrated Workforce Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and with the approved State Plan. In addition, as described in TEGL No. 29-11, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Integrated Workforce Plan for PY 2012 and beyond. As discussed in TEGL 36-11, we strongly encourage State WIA grantees to adopt the use of the American Job Center brand for your physical One-Stop Career Centers and online tools. We are available to provide technical assistance as needed. If you have any questions related to the issues discussed above, please contact Clay Webb, the Federal Project Officer for Ohio, at 312-596-5538 or Webb.Clay@dol.gov.

Sincerely,


Jane Oates
Assistant Secretary

Enclosures

cc: Byron Zuidema, Regional Administrator, ETA Chicago Regional Office
Clay Webb, Federal Project Officer for Ohio

<p align="center">Workforce Investment Act and Wagner-Peyser Act</p> <p align="center">Performance Levels for PY 2012</p>

Ohio

Workforce Investment Act Performance Levels

<u>Adult Measures</u>	<u>PY 2012</u>
Adult Entered Employment Rate	72.0
Adult Employment Retention Rate	87.0
Adult Six-months Average Earnings	\$15,500
 <u>Dislocated Worker Measures</u>	 <u>PY 2012</u>
Dislocated Worker Entered Employment Rate	78.0
Dislocated Worker Employment Retention Rate	90.0
Dislocated Worker Six-months Average Earnings	18,911
 <u>Youth Measures</u>	 <u>PY 2012</u>
Youth Placement in Employment or Education	65.0
Youth Attainment of Degree or Certificate	60.0
Youth Literacy and Numeracy Gains	44.0

Wagner-Peyser Act Performance Levels

<u>Measures</u>	<u>PY 2012</u>
Entered Employment Rate	53.0
Employment Retention Rate	81.0
Six-months Average Earnings	\$18,000

ATTACHMENT E

State of Ohio Request for Waivers

Revised 10.24.12

1. Waiver Request: To waive the requirement for a 50 percent employer match for customized training and permit a match of not less than 10 percent to increase employer connections with the One-Stop system.

Background

Ohio would like to continue the waiver to change the required employer match for customized training from 50 percent of the cost to a minimum of 10 percent of the cost. This waiver has allowed our local areas to link to employers who have not been willing to work with them previously. The match will be determined based on a sliding scale based on the size of the employer: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-100 employees. For employers with more than 100 employees, the current statutory requirements (50 percent contribution) continue to apply.

This waiver encourages employers to participate in customized training by allowing greater flexibility in determining the employer match requirement. For the jobseekers or existing workers, this waiver affords them the opportunity to receive training, enhance existing skills, and acquire new skills and possible credentials. This waiver request follows the required format identified in WIA Section 189 (i)(4)(B) and WIA regulations at 20 CFR 661.420(c). This waiver supports the principles of increasing accountability; creating a stronger involvement of local boards and private sector and, increasing; and local flexibility.

Section I: Statutory or Regulatory Requirements to be Waived

Ohio requests waiver of Section 101(8)(C) of Workforce Investment Act (WIA), which requires employers to pay not less than 50 percent of the cost of training. In its place, the state is proposing the use of a methodology under which employers will pay between 10 to 50 percent of the cost of training based on the sliding scale proposed in the Background section above.

Customized training optimizes the employment and training resources available to meet the needs of potential employers and jobseekers. These resources train individuals for jobs that exist and for which employers are willing to make investments. Employer-driven customized training programs directly meet the needs of the labor market now and have the potential of meeting the needs of the future. These types of programs focus on employer and jobseeker requirements while minimizing programmatic and bureaucratic barriers.

The 50 percent match requirement limits a local area's ability to market customized training to potential employers. Local employers often conclude that the 50 percent required match is too much of a financial commitment. They acknowledge the benefits of obtaining a specifically trained individual, but indicate that costs often outweigh these benefits. The flexibility gives the LWIBs a tool to present a favorable picture of the

program. It affords local staff the flexibility of encouraging employers with jobs in-demand and in industries that are growing to participate in WIA.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

Section III: Goals to Achieve Using the Waiver

Ohio has been achieving, and expects to continue to achieve, the following goals:

- Broaden flexibility in engaging and working with business and industry to improve the skills of employers' workforce;
- Increase training for high-growth/high-demand occupations with the acquisition of appropriate credentials signifying transferable skills;
- Increase training for individuals with multiple barriers to employment;
- Improve ability of LWIBs to work with the private sector and to respond quickly to changes in their areas;
- Increase local flexibility for the design and control of training programs, and
- Provide layoff aversion strategies to allow retention of workers and enhance stability and competitiveness of businesses.

The purpose is to have as much flexibility as possible to accomplish goals and principles of the Workforce Investment Act (WIA) and enhance local boards' capacities to improve their workforce investment system. In order for Ohio to remain viable and competitive, changes are needed for business, industry, and individual communities.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

In the use of this waiver Ohio has seen and expects to continue to see:

- Increased entered-employment rates, retention rates, wage changes, and credential rates,
- Increased use of customized training as a training model,
- Meeting and improving employer satisfaction, and
- Meeting and improving customer satisfaction.

Section V: Individuals Impacted by the Waiver

Employers benefit from this waiver because of the reduced match requirement. This has in the past and will continue to make customized training an attractive option for obtaining and retaining employees trained to their specifications. By engaging in customized training through the employment and training system, they become more aware of the valuable resources that Ohio's One-Stop centers can provide.

Individuals have more access to skills training due to the increased access and availability of training resources for their employers. They are obtaining new skills which lead to increased earnings, upgraded transferable skills, and credentials that help them advance within the company and/or obtain future employment should the present employment situation change.

Section VI: Process to Monitor the Progress in Implementation of the Waiver

The Ohio Department of Job and Family Services, Office of Workforce Development (OWD) is the state entity responsible for administering WIA, Wagner-Peyser and Veterans Programs. OWD also houses Workforce Systems, the integrated case management and reporting system that is used to track and monitor the changes and outcomes that are caused by this waiver.

OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis that serves as a venue to address any issue with the implementation of this waiver.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

2. Waiver Request: To replace the performance measures for activities under the Workforce Investment Act with the Common Measures as outlined in ETA Training and Employment Guidance Letter 17-05.

Background

Ohio would like to continue the waiver to allow the state to replace the seventeen performance measures currently mandated under WIA with the Common Measures in TEGL 17-05 (Entered Employment, Employment Retention, Average Earnings, Placement in Employment and Education, Certificate or Diploma, and Literacy and Numeracy). Under this waiver, Ohio has been able to be able to simplify the reporting system by discontinuing the use of the current 17 measures and to fully implement the six performance criteria under Common Measures. The State of Ohio believes that this simplified performance reporting system is crucial for the continued improvement of service delivery.

Section I: Statutory or Regulatory Requirements to be Waived

WIA Section 136(b) is requested to be waived.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no known state or local barriers to the implementation of this waiver.

Section III: Goals to Achieve Using the Waiver

By replacing the currently required WIA performance measures with the six Common Measures, Ohio has been able to simplify the service delivery process as data collection, reporting and validation has been streamlined. In the past, Ohio would have to track and report on 20 performance measures. By reporting only on the six Common Measures, Workforce Development resources are utilized in a more efficient way, as much of the confusion over data collection and reporting requirements have been eliminated. Staff has been able to devote much of the time that is currently spent on program outcomes, to improving service delivery and meeting the needs of businesses and individuals. Integration of performance standards has resulted in increased accountability and greater efficiency in the service delivery system as labor costs and paperwork are reduced.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

In the use of this waiver Ohio has seen and expects to continue to see:

- Approval of this waiver has eliminated the duplication of the data reporting requirements simplified the complicated Performance Management System;
- The application of Common Measures has shifted the focus of the adult programs to employment, and youth programs to education and skill attainment;

- Implementation of the Common Measures has facilitated the local areas in designing their programs to meet these new performance standards more quickly. Ohio has facilitated serving more out-school youth, and the move to Common Measures will continue to compel local areas to increase the numbers of out-of school customers, and
- The elimination of Employment and Credential Rate measure as a result of this waiver has generated greater flexibility for the local areas to plan CJT and Customized Training services.

Section V: Individuals Impacted by the Waiver

Individuals, employers and workforce development staff benefit from this waiver. By reducing the number of performance measures, case management is simplified and staff is able to provide better customer service by focusing on the needs of employers and individuals. Out-of-school youth will continue to benefit from the shift to Common Measures because some significant service barriers to serving this group have been eliminated.

Section VI: Process to Monitor the Progress in Implementation of the Waiver

The Ohio Department of Job and Family Services, Office of Workforce Development (OWD) is the state entity responsible for administering WIA, Wagner-Peyser and Veterans Programs. OWD also houses Workforce Systems, which is the integrated case management and reporting system that is used to track and monitor the changes and outcomes that are caused by this waiver.

Ohio has made all changes necessary to report Common Measures.

OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis, which serves as a venue to address any issue with the implementation of this waiver.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request

3. Waiver Request: Waive the 50% limit on reimbursement to employers for OJT

Background

Ohio would like to continue the waiver to permit an increase in employer reimbursement for OJT through a sliding scale based on the size of the business. Under the current waiver, the following scale is used: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirement (50 percent reimbursement) continues to apply.

Section I: Statutory or Regulatory Requirements to be Waived

WIA Section 101(31)(B) is requested to be waived in order to increase the employer reimbursement for on-the-job training.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no existing state or local statutory or regulatory barriers to the implementation of this waiver request.

Section III: Goals to Achieve Using the Waiver

OJT enhances the employment and training resources available to meet the needs of potential employers and trainees. These resources train individuals for jobs that exist and for which employers are willing to make investments. Employer-driven OJT programs directly meet the current needs of the labor market and provide the potential of meeting the employer needs of the future.

Almost 75 percent of Ohio's nongovernmental employers are small businesses that have less than 250 employees. Small businesses do not typically have a Human Resources Department that can provide extensive training to their employees which increases their cost of training to their new employees. The current 50 percent reimbursement limits the ability to market OJT programming to potential employers. Local employers often conclude that the 50 reimbursement limit is too little of a compensation to train inexperienced individuals. They acknowledge the benefits of training individuals for specific needed jobs but indicate that costs often outweigh these benefits. A sliding reimbursement fee schedule will give Ohio's local Workforce Investment Areas a tool to present a more favorable picture of the program and to encourage employers to hire one-stop customers first. It will afford local staff the flexibility of encouraging the OJT participation of employers with jobs in demands and in industries that are growing. Further, it will improve job placement performance for individuals that are hard to place.

By waiving the 50 percent reimbursement requirement local boards will be able to more effectively market OJTs to the employers in targeted growth industries and in-demand occupations. These proposals for the employer contribution are at rates that more appropriately represents a particular business' or industry's cost benefit ratio. The proposed changes to the reimbursement limit will increase the likelihood of job placement activity (both subsidized and unsubsidized).

The specific goals to be achieved by the waiver are to:

1. Improve the ability of the State of Ohio to respond to changes in employer and industry needs;
2. Increase control of program delivery and greater usage of OJT as a training strategy;
3. Increase Employer/Board collaboration to address industry needs and worker training;
4. Provide greater flexibility in designing and implementing WIA programs, and
5. Connect individuals with hiring employers.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

In the use of this waiver Ohio has seen and expects to continue to see:

Increased entered-employment rates, employment retention rates, wage gain rates, and increased use of OJT training as a training model.

Section V: Individuals Impacted by the Waiver

Employers will benefit from this waiver because of the increased reimbursement schedule. This will make OJT an attractive employer option for obtaining employees trained to their specifications. By engaging in OJT through the employment and training system, employers will become more aware of the valuable resources that the One-Stop can provide.

Individuals will benefit from this waiver because they will be afforded the opportunity to be trained for high growth/high demand occupations in industries that are expected to grow. They will be obtaining training signifying their acquisition of transferable and valuable skills that can help them obtain future employment should the present employment situation change. Individuals also benefit from having a direct connection with a hiring employer.

Individuals with multiple barriers to employment will benefit from this waiver since they will be an economic encouragement for employers to train these individuals for jobs with high potential for growth. OJT, as a training model, also offers a paycheck to the trainee. This aspect of OJTs is even more important as thousands of Ohio Unemployment Insurance claimants exhaust their benefits.

Local area One-Stop staff will benefit from this waiver by having an additional tool to offer individuals and employers that can be customized to meet mutual needs.

Local Area Workforce Board members will benefit from this waiver by having a firmer control on the services they can offer to employers and individuals. It is clear that this waiver will benefit a great number of people.

Section VI: Process to Monitor the Progress in Implementation of the Waiver

The Ohio Department of Job and Family Services, Office of Workforce Development (OWD) is the state entity responsible for administering WIA, Wagner-Peyser and Veterans Programs. OWD also houses the Ohio Workforce System, the integrated case management and reporting system that is used to track and monitor the changes and outcomes that are caused by this waiver, and OhioMeansJobs.com, the state's job search tool.

OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis that serves as a venue to address any issue with the implementation of this waiver.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

4. Waiver Request: Allow transfer authority to permit up to 50% transfer of funds between adult and dislocated worker programs.

Background

Ohio would like to continue the waiver to allow local WIB (local board) to transfer up to 50 percent of funds between adult and dislocated worker programs, allowing greater flexibility to use available funding to increase services to the specific population when a need is identified.

Some local boards have challenges related to serving the dislocated worker population, while other local boards have challenges serving the adult population. The flexibility to transfer up to 50 percent of funds would allow ease in administration and a timely response to customers as program needs are specified.

The transfer of funds flexibility will be accompanied by a restrictive use of statewide reserves, inclusive of rapid response and 15% set-aside funds. For example, a local board may not transfer funds from dislocated worker to adult program without regard to ongoing and predictable demands for dislocated worker services in the local area. The state will not provide supplementary rapid response funds to address a predictable need. In cases where local boards choose to transfer large amounts of dislocated worker resources to the adult program, additional allocations to the local board will be restricted to significant unexpected layoffs which occur after the transfer takes place.

This waiver supports the principles of streamlining services; increasing accountability; creating stronger role for local board, and increasing state and local flexibility.

Section I: Statutory or Regulatory Requirements to be Waived

Workforce Investment Act (WIA) Section 133(b)(4) is requested to be waived, in order to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area. A technical amendment, specified in the Training and Employment Guidance Letter No. 23-02, dated April 1, 2003, increased the transfer authority from 20% to no more than 30%.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

Section III: Goals to Achieve Using the Waiver

Ohio has been achieving and expects to continue to achieve the following goals:

- Allowing local boards to address needs of communities and employers, and

- Flexibility in determining use of funds and leveraging resources.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

In the use of this waiver Ohio has seen and expects to continue to see:

- Maximum use of resources,
- Increased customers' access to services, and
- Meeting expenditure requirements and obligations.

Section V: Individuals Impacted by the Waiver

Adults and dislocated workers have been and will continue to be impacted by this waiver.

Section VI: Process Used to Monitor Progress in Implementing the Waiver

The Ohio Department of Job and Family Services will continue to monitor implementation and impact of this waiver through a combination of reporting from the local level using the Ohio Workforce System client management information system and state monitoring, oversight and evaluation functions.

Monitoring of the waiver may be conducted through a variety of approaches that may include routine desk top reviews and on-site compliance monitoring.

OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis, which serves as a venue to address any issue with the implementation of this waiver.

Section VII: Process for Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

5. Waiver Request: To waive the prohibition on the use of individual training account (ITA) for youth. This waiver permits the use of individual training accounts for older youth and out-of-school youth (16-21).

Background

Ohio would like to continue the waiver to allow the local boards to serve older youth and out-of-school youth with ease in administration and timely responses to customers. Currently a youth 18 or older may use an ITA if they are co-enrolled in an adult or dislocated worker program.

This waiver request supports the principles of streamlining services, individual opportunity and empowerment, customer choice, and an improved youth program by allowing the 16-21 youth population to benefit from services provided by Ohio's eligible training providers. Often, older youth and out-of-school youth need adult-like services and choices. This waiver encourages this youth population to seriously look at career paths and empowers them to make their own decisions, thereby taking responsibility for their actions. This waiver will be applied statewide.

This waiver request has supported the principle of accountability and ease of administration. Co-enrollment into the adult or dislocated worker program is not necessary under this waiver. The ITA could be issued from one funding source. Tracking costs on one funding source for the youth would increase accountability.

Section I: Statutory or Regulatory Requirements to be Waived

Workforce Investment Act (WIA) Final Regulations at 20 CFR Section 664.510 provides that an individual training account (ITA) is not allowed for youth, except that youth 18 and above may be co-enrolled in the adult or dislocated worker programs which require ITAs to receive a program of training services.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

Section III: Goals to Achieve Using the Waiver

Ohio has been achieving and expects to continue to achieve the following goals:

- Improving the ability of local boards to respond quickly to the needs of older and out-of-school youth and at-risk youth, ages 16-21;
- Treat youth ages 16 and older in an adult-like manner;
- Increasing youth access to One-Stop locations, services and information;

- Improving coordination by reducing fragmentation of service delivery;
- Improving customer choice and increase empowerment for youth making them capable and responsible for making intelligent choices about their career;
- Reducing unnecessary paperwork and number of records that co-enrollment registration creates;
- Developing the emerging workforce with prepared candidates ready for work, and
- Increasing accountability.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

In the use of this waiver Ohio has seen and expects to continue to see:

- Increased the quality of learning opportunities,
- Increased employment and training opportunities,
- Reduction in administrative burden by eliminating the need to track separate funding streams for one individual,
- Creation of one record for youth,
- Increased efficiency and customer choice, and
- Increased use of eligible training providers that require ITAs.

Section V: Individuals Impacted by the Waiver

Youth ages 16 through 21, (in-school and out-of-school), benefit from this waiver. In particular, out-of-school youth benefit. The administrative entity, One-Stop operator and youth providers are also benefitting.

Section VI: Process Used to Monitor Progress in Implementing the Waiver

The Ohio Department of Job and Family Services will continue to monitor implementation and impact of this waiver through a combination of reporting from the local level using the Ohio Workforce System client management information system and state monitoring, oversight and evaluation functions.

Monitoring of the waiver may be conducted through a variety of approaches that may include routine desk top reviews and on-site compliance monitoring. OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis, which serves as a venue to address any issue with the implementation of this waiver.

Section VII: Process for Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site:

<http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

6. Waiver Request: Allow the option for local grant recipient/fiscal agent to conduct three youth elements or to competitively select service providers.

Background

Ohio would like to continue the waiver of competitive procurement of three of the ten youth elements. The three program elements that this waiver will apply to are: paid and unpaid work experience, supportive services, and follow-up services. This waiver is being asked to ensure coordination, continuity and ease of administration in providing youth activities.

The WIA youth program operates on the premise of long-term participation during which time strong relationship is likely to be formed. When a different youth provider must be sought through a competitive process the rendering of services is less effective and sometimes disruptive. The established relationship may not continue to exist and youth is likely to leave the program because of instability. When the case manager establishes relationship and is involved in keeping connection with customers' well being follow-up services is more cost efficient, reducing dependency on using incentives to find customers. Local boards need the continued flexibility to determine which tasks of follow-up should be procured or an in-house operation.

Youth allocations are relatively small and having to procure for youth elements such as supportive services where much of the support is in the form of transportation, clothing, eyeglasses and tools is inefficient when these items can be secured through small purchases. In addition, when certain services are accessible from other sources, WIA does not need to provide the youth element until those resources are no longer available. Often, the time available to procure is limited thus causing a disruption and fragmentation in delivery of services.

Procuring for work experience is difficult. This youth element is labor intensive requiring time to go into the community to develop worksites and relations with employers. Having a third party go back into the community is less cost effective and creating a separate provider delivery system has resulted in a fragmented delivery system.

This waiver is implemented statewide.

This waiver supports the principles of streamlining services, increasing accountability and accessibility, state and local flexibility and ease of administration.

Section I: Statutory or Regulatory Requirements to be Waived

Workforce Investment Act (WIA), Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

Section III: Goals to Achieve Using the Waiver

Ohio has been achieving and expects to continue to achieve the following goals:

- Continuity and greater efficiency of service delivery,
- Flexibility in deciding the elements that will be part of framework activities,
- Minimizing duplication of efforts,
- Decreasing in administrative costs to deliver services, and
- Greater integration of youth services into One-Stop locations.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

In the use of this waiver Ohio has seen and hopes to see for new activities:

- Quality service providers used for certain youth elements,
- Improved case management and follow-up services,
- Longer participation of youth, and
- Maximized use of resources.

Section V: Individuals Impacted by the Waiver

In-school and out of school youth will continue to be impacted by this waiver.

Section VI: Process Used to Monitor Progress in Implementing the Waiver

The Ohio Department of Job and Family Services will continue to monitor implementation and impact of this waiver through a combination of reporting from the local level using the Workforce Systems client management information system and state monitoring, oversight and evaluation functions.

Monitoring of the waiver may be conducted through a variety of approaches that may include routine desk top reviews and on-site compliance monitoring. OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis, which serves as a venue to address any issue with the implementation of this waiver.

Section VII: Process for Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

7. Waiver Request: To waive time limit on period of initial eligibility for collecting and reporting performance information on eligible training providers.

Background

Ohio would like to continue the waiver to extend the time limit period of subsequent eligibility reporting requirements for programs on the state's eligible training provider list. This request concerns the length of time before subsequent year eligibility for training providers is determined.

Training providers report difficulty gathering required performance data on WIA students as well as their entire program student population.

This waiver is applied statewide and supports the principle of state and local flexibility.

Section I: Statutory or Regulatory Requirements to be Waived

Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

Section III: Goals to Achieve Using the Waiver

Ohio has been achieving and expects to continue to achieve the following goals:

- Reducing the burden and the costs of data collection placed on training providers with few WIA participants;
- Reducing the burden and the costs of data review and approval placed on local boards and the state;
- State and its partners have time to conduct analysis of available data to set meaningful and reasonable criteria for "subsequent eligibility";
- Identification of criteria that is useful to the business community, and
- Identification of entity that would be responsible for the consumer report.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

In the use of this waiver Ohio expects to see:

- More valid participant data to evaluate and establish appropriate levels of performance for subsequent training provider eligibility, and
- More accounting of WIA completers of training programs.

Section V: Individuals Impacted by the Waiver

Local boards, administrative entities, One-Stop operators, training providers, adult, dislocated workers and youth will continue to be impacted by this waiver.

Section VI: Process Used to Monitor Progress in Implementing the Waiver

The Ohio Department of Job and Family Services will continue to monitor implementation and impact of this waiver through a combination of reporting from the local level using the Workforce Systems client management information system and state monitoring, oversight and evaluation functions.

Monitoring of the waiver may be conducted through a variety of approaches that may include routine desk top reviews and on-site compliance monitoring.

OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis, which serves as a venue to address any issue with the implementation of this waiver.

Section VII: Process for Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

8. Waiver Request: To permit the State to use up to 20% of dislocated worker funds to conduct Incumbent Worker Training to avert lay-offs.

Background

Ohio would like to continue the waiver to use up to 20% of local formula Dislocated Worker funds for Incumbent Worker Training for lay-off aversion.

This waiver supports the principles of increasing accountability; creating a stronger involvement of local boards and private sector and increasing state and local flexibility

Ohio has established policy and procedures related to this waiver. Please see Ohio WIA Policy Letter 09-09.3, Layoff Aversion Incumbent Worker Training using local formula funds available at:

http://emanuals.odjfs.state.oh.us/emanuals/GetDocument.do?doc=Document%28storage%3DREPOSITORY%2CdocID%3D%23Ref_WIAPL09093%29&locSource=input&doc=%24REP_ROOT%24%23Ref_WIAPL09093&username=guest&password=guest&publicationName=emanuals

As far as layoff aversion activities beyond IWT, the Rapid Response Procedures Manual contains information and guidance for local areas. The manual is available online at:

<http://www.ohioed.gov/misc/RRProcedureManual.pdf>. The term "Layoff Aversion" is used throughout the manual, but the section that focuses most on aversion strategies is pages 29 to 31.

Section I: Statutory or Regulatory Requirements to be Waived

Workforce Investment Act (WIA) Section 134 (a) to permit local areas to use a portion of local funds for incumbent worker training.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

Section III: Goals to Achieve Using the Waiver

In the use of this waiver Ohio has been achieving and expects to continue to achieve:

- Assisting employers to avert layoffs;
- Broader flexibility in engaging and working with business to improve the skills of employers' workforce;
- Helping workers continue their skill building and maximize their full potential, and
- Broader flexibility in engaging and working with business to improve the skills of employers' workforce.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

Ohio has seen and will continue to see the following possible outcomes for trainees as a result of an Incumbent Worker contract: Completed training programs, received vocational skill certificates, workers remaining employed with same business, workers receiving wage increases, receiving other certificates, workers received promotions, workers climb the career ladder, or workers received other positive outcomes.

The program as a whole has had and will continue to have the following outcomes:
Long-term retention in employment:

- Develop marketable, transferable skills for workers, and
- Avert real or potential layoffs.

Section V: Individuals Impacted by the Waiver

- Participating employers, and
- Employed individuals.

Section VI: Process to Monitor the Progress in Implementation of the Waiver

The Ohio Department of Job and Family Services, Office of Workforce Development (OWD) is the state entity responsible for administering WIA, Wagner-Peyser and Veterans Programs. OWD also houses Workforce Systems, which is the integrated case management and reporting system that is used to track and monitor the changes and outcomes caused by this waiver.

OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis, which serve as a venue to address any issue with the implementation of this waiver.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

9. Waiver Request: To minimize the data capture requirements for Incumbent Worker Training participants.

Background

Ohio is requesting a continuation of the waiver to minimize the data capture requirements impacting Incumbent Worker Training Programs so that employers are not unnecessarily burdened with federal data requirements. The waiver permits the state to discontinue the collection of the following Workforce Investment Act Standardized Record Data (WIASRD) elements: single parent (117), unemployment compensation eligible status at participation (118), low income (119), TANF (120), other public assistance (121), homeless individual and/or runaway (125), and offender (126).

Previously, when using local funds to serve incumbent workers, a full WIA application was required. The application included all of the elements above as well as additional program elements such as education attainment levels, family status and income, among others. A full application is appropriate for WIA applicants who are seeking services through the One-Stop system. However, it is far too burdensome and overly intrusive for incumbent workers, when the employers are the primary customers, not the workers themselves.

During the implementation of Ohio's local Incumbent Worker Training Program, employers and local workforce areas have expressed concerns regarding the collection of data elements for incumbent worker program participants.

Listed below are some of the concerns that have been raised:

- Requesting family income from their employees is the single biggest objection. This is a major issue with many workers;
- Employers spend too much time talking to staff explaining why they need to provide this detailed data;
- Employees refuse to sign the forms or provide supporting documentation, believing this information may be shared or used in identity theft and employers do not want to be held accountable;
- When requiring copies of supportive documentation, other than the signed I-9, too much time is taken from the job. Employees forget to bring their documentation, or the employee is required in the field and misses the appointment which requires future appointments;

- Employers object to the requirement for each employee to sign an application. They prefer the business to provide minimal data and the company representative to sign the attestation statement. Many businesses have multiple locations and collecting the individual forms from each staff member is logistically cumbersome, and
- Obviously, as in most local workforce areas, the perceived "red tape" tied to government funding turns quite a number of employers off. Information is needed to justify expenditure of federal funds, but a number of employers find the documentation a burden and more troublesome than it is worth.

Section I: Statutory or Regulatory Requirements to be Waived

Ohio requests waiver of the federal reporting requirements 20 CFR 666 and 667.300(a) to reduce the collection of participant data for incumbent workers.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

Section III: Goals to Achieve Using the Waiver

In the use of this waiver Ohio has been achieving and expects to continue to achieve:

- Greater coordination of state and local workforce board activities with state and regional local economic development efforts;
- Greater demand-driven workforce system, in line with the training needs of Ohio's workforce, and
- Elimination of excessive data-capture requirements at the local workforce board when regional allocated funds are used to provide employed worker training.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

In the use of this waiver Ohio has seen and expects to continue to see:

- Increased entered employment rates, retention rates, and earnings, and
- Increased use of customized training and OJT training models.

Section V: Individuals Impacted by the Waiver

- Businesses participating in Incumbent Worker Training Programs have been and will be positively impacted by the waiver. Relieving the burden of collecting demographic data has streamlined the project for employers;
- Service has been and will be provided to increased numbers of individuals in need of training;
- Regional Workforce Boards improve linkages with employers and economic development in their areas, and
- The rate of investment of WIA funds has increased.

Section VI: Process Used to Monitor Progress in Implementing the Waiver

The Ohio Department of Job and Family Services will monitor implementation and impact of this waiver through a combination of reporting from the local level using the Workforce Systems client management information system and state monitoring, oversight and evaluation functions.

Monitoring of the waiver may be conducted through a variety of approaches that may include routine desktop reviews and on-site compliance monitoring. The state will compile a list of employers engaged in locally funded customized training programs and collect data to evaluate the impact of this waiver.

OWD has been monitoring the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis, which serves as a venue to address any issue with the implementation of this waiver.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

10. Waiver Request: To permit the State to use up to 20% of Rapid Response funds to conduct Incumbent Worker Training to avert lay-offs.

Background

Ohio would like to continue the waiver to request to use up to 20% of Rapid Response funding Incumbent Worker Training. Ohio is requesting this waiver for only lay-off aversion. This waiver supports the principles of increasing accountability; creating a stronger involvement of local boards and private sector and increasing state and local flexibility.

Ohio has established policy and procedures related to this waiver. Please see Ohio WIA Policy Letter 09-09.3, Layoff Aversion Incumbent Worker Training using local formula funds available at:

http://emanuals.odjfs.state.oh.us/emanuals/GetDocument.do?doc=Document%28storage%3DREPOSITORY%2CdocID%3D%23Ref_WIAPL09093%29&locSource=input&docLoc=%24REP_ROOT%24%23Ref_WIAPL09093&username=guest&password=guest&publicationName=emanuals

As far as layoff aversion activities beyond IWT, the Rapid Response Procedures Manual contains information and guidance for local areas. The manual is available online at:

<http://www.ohioered.gov/misc/RRProcedureManual.pdf>. The term "Layoff Aversion" is used throughout the manual, but the section that focuses most on aversion strategies is pages 29 to 31.

Section I: Statutory or Regulatory Requirements to be Waived

Workforce Investment Act (WIA) Section 134 (a)(1)(A) to permit a portion of the funds reserved for rapid response activities to be used for incumbent worker training.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

Section III: Goals to Achieve Using the Waiver

In the use of this waiver Ohio has been achieving and expects to continue to achieve:

- Assisting employers to avert layoffs;
- Broader flexibility in engaging and working with business to improve the skills of employers' workforce;
- Helping workers continue their skill building and maximize their full potential, and

- Broader flexibility in engaging and working with business to improve the skills of employers' workforce.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

Ohio has been achieving and expects to continue to see the following possible outcomes for trainees as a result of an Incumbent Worker contract:

Completed training programs, received vocational skill certificates, workers remaining employed with same business, workers receiving wage increases, receiving other certificates, workers received promotions, workers climb the career ladder, or workers received other positive outcomes.

The program as a whole has had and will continue to have the following outcomes:

- Long-term retention in employment,
- Develop marketable, transferable skills for workers, and
- Avert real or potential layoff.

Section V: Individuals Impacted by the Waiver

- Participating employers and
- Employed individuals.

Section VI: Process to Monitor the Progress in Implementation of the Waiver

The Ohio Department of Job and Family Services, Office of Workforce Development (OWD) is the state entity responsible for administering WIA, Wagner-Peyser and Veterans Programs. OWD also houses Workforce Systems, the integrated case management and reporting system that is used to track and monitor the changes and outcomes caused by this waiver.

OWD will monitor the implementation of this waiver through feedback from the local areas. Meetings between OWD staff, local board directors and administrative entities are held on a regular basis, which serves as a venue to address any issue with the implementation of this waiver. The state will compile a list of employers engaged in locally funded Incumbent Worker Training programs and collect data to evaluate the impact of this waiver.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

11. Waiver Request: Waive the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers and youth

Background

Ohio would like to continue the waiver to exempt the state from the requirement to conduct evaluations of workforce investment activities for adults, dislocated workers and youth.

The reduction to five percent in the WIA allotment for Governor's Reserve funds restricts the state's ability to effectively fund and carry out all of the required statewide workforce investment activities.

Section I: Statutory or Regulatory Requirements to be Waived

Waiver of WIA Section 134(a)(2)(B)(ii) and 20 CFR 665.200 (d) to exempt the state from the requirement to conduct evaluations.

Section II: State or Local Statutory or Regulatory Barriers Removed

Waiving the requirement to conduct evaluations will enable the state to focus limited resources on other critical functions.

Section III: Goals to Achieve Using the Waiver

The state's goal in seeking this waiver is to ensure the state can prioritize the use of statewide funds for required and most essential statewide activities. The state's reduced funds are being used to cover the following required activities:

- a) Operating a fiscal and management accountability information system, based on guidelines established by the Secretary after consultation with the Governor, chief elected officials, and One-Stop partners, as required by WIA section 136(f), [WIA Sections 129(b)(2), 134(a)(2), and 136(e)(2)];
- b) Submitting required reports (WIA Section 136(f));
- c) Disseminating the list of eligible providers of training services (including those providing non-traditional training services), for adults and dislocated workers;
- d) Providing technical assistance to local areas that fail to meet local performance measures;
- e) Conducting required rapid response activities, as described in Section 665.310;
- f) Information identifying eligible providers of OJT and customized training;
- g) Maintaining a list of eligible providers of youth activities as described in WIA Section 123;

- h) Assisting in the establishment and operation of One-Stop delivery systems, in accordance with the strategy described in the state workforce investment plan. [WIA Section 112(b)(140)]; and
- i) Providing additional assistance to local areas that have high concentrations of eligible youth.

Sections IV. and V. do not apply.

Section VI: Process to Monitor the Progress in Implementation of the Waiver

The state will monitor progress and ensure accountability for Federal funds in connection with this waiver by reviewing monthly expenditure performance and other reports through regular contact with the ETA Regional Office liaisons and through its monitoring and performance accountability system.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

Estimated Costs to Carry Out the Required Activity for Which the Waiver is Needed

When the statewide funding was 15 percent, Ohio invested considerable staff time to the evaluation of each local Workforce Investment Area according to criteria established under a continuous quality improvement program known as the "Gold Standard." This included evaluation of services to employers, adults, dislocated workers and youth; surveys of customer satisfaction; and "secret shoppers." This cost totaled approximately \$210,000 per program year for portion of several staff positions. Ohio estimates that it would cost a comparable amount of money to conduct similar evaluations of local areas in the upcoming program years. In the past, Ohio also paid an independent contractor to conduct satisfaction surveys to a random sample of customers, which cost between \$232,000 and \$330,000 per program year.

How Statewide Funds Are Being Used (for both required and allowable statewide activities)

See Section III. above. Spending for statewide required and allowable activities totaled almost \$31.6 million in PY 2010 and went down to \$13.5 million in PY 2011.

How Funds Are Being Prioritized Across Activities

Funds are prioritized for activities stated in Section III. above which promote and ensure program accountability, integrity, and solvency.

The Extent to Which the Funding Levels are Insufficient to Cover the Activity for which a Waiver Is Requested

Ohio's statewide funds have gone from just over \$26 million in Program Year 2008 to under \$4.7 million in Program Year 2012. This is a reduction of 82 percent over just four years and a reduction of 11 percent in the last year alone. Funding is insufficient to maintain the evaluation of local One-Stops, which cost a minimum of \$210,000 per program year. Funding is also insufficient to administer customer satisfaction surveys, which previously cost Ohio between \$232,000 and \$330,000. Furthermore, there are no funds to evaluate new program strategies and initiatives, such as the Connecting the Dots From Foster Care to Employment and Independent Living initiative, which would cost over \$1 million if evaluated rigorously.

According to Ohio's PY 2011 WIA Financial Statement, statewide 15 percent expenditures totaled over \$13.5 million and funds obligated totaled over \$2.7 million. The carry forward into PY 2012 equaled \$8.8 million. With the addition of PY 2012 statewide funds of \$4.6 million, funds available total \$13.5 million.

State level costs to administer the program were approximately \$11.5 million in State Fiscal Year 2012. Ohio hopes to reduce that to \$8 million for this year. This includes approximately \$4 million for the Office of Information Systems costs for the electronic case management system and system infrastructure costs, plus \$2 million each for Fiscal and Monitoring Services and the Office of Workforce Development. A small additional amount is needed for other ODJFS functions such as Legal, Communications, and Employee and Business Services. Additional statewide activities which are required include the Governor's Executive Workforce Board (approximately \$400,000), OhioMeansJobs.com (WIA portion at almost \$800,000), Regional Coordinators at the Development Services Agency (approximately \$2 million), technical assistance vendor (approximately \$76,000) and a few small initiatives funded by carry-forward funds. Ohio anticipates that statewide expenditures for the current program year may total approximately \$12.8 million. This may result in less than \$1 million in carry forward into PY 2013. This would mean state level expenditures that totaled \$13.5 in PY 2011 would need to total approximately \$5 million in PY 2013. Because the projected costs for PY 2013 exceed the amount of anticipated revenue, Ohio absolutely needs to have carry forward. Therefore, Ohio is reducing overall costs, and some existing WIA costs will be re-directed to NEG, Rapid Response, and/or competitive grant activities, as allowable and available. Ohio must continue to reduce, wherever possible and permitted.

Anticipated Impact of Not Funding the Activity

Evaluation is a critical component of program services to Ohio's customers, especially in the current economy which demands new ways of coordinating and delivering

services with effective results. Ohio will continue to review program national and state evaluation reports to learn more about effective program practices. By doing so, Ohio anticipates that there will be no impact on programs or participants.

How the Waiver, if Approved, May Directly Affect WIA Participant Services

As stated above, WIA participant services will not be directly impacted.

Other Methods Utilized

Ohio is using many additional methods to build evaluation into activities, without using statewide funds. The state actively pursues additional funding opportunities and builds evaluation into those proposals. For example, a Workforce Innovation Grant was recently awarded to ODJFS with a rigorous evaluation component included. The state is also establishing working relationships with universities to assist with designing and/or conducting program evaluations. For example, Cleveland State University is providing free evaluation services for the pilot programs to establish and provide One-Stop services for prisoners prior to release. The university benefits by having real, relevant research opportunities for students, and ODJFS benefits by having a strong evaluation component at no cost. In addition, The Ohio State University is assisting with a small-scale evaluation design for the Connecting the Dots initiative for youth emancipating from foster care.

Furthermore, during the upcoming program years, the state is investing additional time and resources to analyze existing data and creating state metrics. These activities are designed to produce statistical data regarding service delivery strengths and weaknesses, but may not rise to the level of conducting formalized program evaluations. For example, ODJFS, in collaboration with the Workforce Investment Board Directors collaborative, is piloting a Return on Investment Model related to Dislocated Worker training services. Beyond this, the state is looking at occupational categories that yield a positive result compared with the training investment. The state is also seeking customer feedback through on-line chats in OhioMeansJobs.com and through regional forums across the state. The state metrics are designed to achieve substantially similar results to those outlined under 665.200.

12. Waiver Request: Exempt the state from the requirement to provide incentive grants to local areas

Background

Ohio would like to continue the waiver to exempt the state from the requirement to provide incentive grants to local areas. The reduction to five percent in the WIA allotment for the Governor's Reserve funds restricts the state's ability to effectively fund and carry out all of the required statewide workforce investment activities.

Section I: Statutory or Regulatory Requirements to be Waived

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200 (e) to exempt the state from the requirement to provide incentive grants to local areas.

Section II: State or Local Statutory or Regulatory Barriers Removed

Waiving the requirement to provide incentive grants will enable the state to focus limited resources on other critical functions.

Section III: Goals to Achieve Using the Waiver

The state's goal in seeking this waiver is to ensure the state can prioritize the use of statewide funds for the required statewide activities deemed most essential. The state's reduced funds are being used to cover the following required activities:

- a) Operating a fiscal and management accountability information system, based on guidelines established by the Secretary after consultation with the Governor, chief elected officials, and One-Stop partners, as required by WIA section 136(f), [WIA Sections 129(b)(2), 134(a)(2), and 136(e)(2);
- b) Submitting required reports (WIA Section 136(f);
- c) Disseminating the list of eligible providers of training services (including those providing non-traditional training services), for adults and dislocated workers;
- d) Providing technical assistance to local areas that fail to meet local performance measures;
- e) Conducting required rapid response activities, as described in Section 665.310;
- f) Information identifying eligible providers of on-the-job training and customized training;
- g) A list of eligible providers of youth activities as described in WIA Section 123;

- h) Assisting in the establishment and operation of One-Stop delivery systems, in accordance with the strategy described in the state workforce investment plan [WIA Section 112(b)(140)]; and
- i) Providing additional assistance to local areas that have high concentrations of eligible youth.

Sections IV. and V. do not apply.

Section VI: Process to Monitor the Progress in Implementation of the Waiver

The state will monitor progress and ensure accountability for Federal funds in connection with this waiver by reviewing monthly expenditure performance and other reports through regular contact with the ETA Regional Office liaisons and through its monitoring and performance accountability system.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

Estimated Costs to Carry Out the Required Activity for Which the Waiver is Needed

Ohio estimates that providing incentives to local areas would cost at least \$200,000, given the local areas' historical performance attainment levels. To be effective and truly an "incentive" to change behavior, the incentive award would likely need to be larger, such as \$400,000 to \$600,000 or more.

How Statewide Funds Are Being Used (for both required and allowable statewide activities)

See Section III. above. Spending for statewide required and allowable activities totaled almost \$31.6 million in PY 2010 and went down to \$13.5 million in PY 2011.

How Funds Are Being Prioritized Across Activities

Funds are prioritized for activities stated in Section III. above which promote and ensure program accountability, integrity, and solvency.

The Extent to Which the Funding Levels are Insufficient to Cover the Activity for which a Waiver Is Requested

Ohio's statewide funds have gone from just over \$26 million in Program Year 2008 to under \$4.7 million in Program Year 2012. This is a reduction of 82 percent over just four years and a reduction of 11 percent in the last year alone. Funding is insufficient provide incentive grants to local areas.

According to Ohio's PY 2011 WIA Financial Statement, statewide 15 percent expenditures totaled over \$13.5 million and funds obligated totaled over \$2.7 million. The carry forward into PY 2012 equaled \$8.8 million. This carry forward plus new PY 2012 and FY 2013 statewide funds of \$4.6 million totals \$13.5 million funds available.

State level costs to administer the program were approximately \$11.5 million in State Fiscal Year 2012. Ohio hopes to reduce that to \$8 million for this year. This includes approximately \$4 million for the Office of Information Systems for the electronic case management system and system infrastructure costs, plus \$2 million each for Fiscal and Monitoring Services and the Office of Workforce Development. A small additional amount is needed for other ODJFS functions such as Legal, Communications, and Employee and Business Services. Additional statewide activities which are required include the Governor's Executive Workforce Board (approximately \$400,000), OhioMeansJobs.com (WIA portion at almost \$800,000), Regional Coordinators at the Development Services Agency (approximately \$2 million), technical assistance vendor (approximately \$76,000) and a few small initiatives funded by carry-forward funds. Ohio anticipates that statewide expenditures for the current program year (assuming the requested waivers are approved) may total approximately \$12.8 million. This may result in potentially less than \$1 million in carry forward into PY 2013. This would mean expenditures that totaled \$13.5 in PY 2011 would need to total no more than \$5 million in PY 2013. Because the projected costs for PY 2013 exceed the amount of anticipated revenue, Ohio absolutely needs to have carry forward. Therefore, Ohio is reducing overall costs, and some existing WIA costs will be re-directed to NEG, Rapid Response, and/or competitive grant activities, as allowable and available. Ohio must continue to reduce, wherever possible and permitted.

Anticipated Impact of Not Funding the Activity

It is anticipated that there will be no impact on programs or to participants. As stated below, Ohio is pursuing non-financial methods of providing recognition for outstanding programs and achievements. WIA requires incentive grants to areas for regional cooperation, for local coordination and for exemplary performance on the performance measures. These activities are part of the core business of workforce areas and may not be the best metrics for which an incentive grant is awarded. For example, for PY 2011, six areas exceeded all nine performance measures. Two of those areas served far fewer participants than comparable areas who did not exceed all measures. When looking at positive job placements (the numerator for adult and dislocated worker measures) many of these areas placed far fewer individuals in jobs than other areas of similar size. The state recognizes that all WIBs have strengths and weaknesses.

Ohio's goal is to benchmark activities in order to nurture the strengths. The incentive grant strategy is in contrast with the current approach of serving customers and getting the results the customers need.

How the Waiver, if Approved, May Directly Affect WIA Participant Services

As stated above, WIA participant services will not be directly impacted. Ohio will continue to measure performance.

Other Methods Utilized

Ohio is using many additional methods to provide recognition and to highlight outstanding programs and achievements. The state is developing a model to measure Return on Investment, supporting regional and cross-program, and encouraging interagency coordination as detailed in Sections I and II of the Integrated Workforce Plan. Opportunities for peer-to-peer recognition are also provided by featuring outstanding programs in statewide technical assistance video conferences, for example. We chose pilot locations for the Connect the Dots initiative by surveying local areas and county children services agencies and selecting those with demonstrated cooperation between WIA and foster care services. In addition, we are providing access to additional sources of funding to areas and programs demonstrating positive results. Examples of this include special grants for career pathways, business engagement, and the TANF summer youth employment program.

13. Waiver Request: Exempt the state from the requirement to disseminate training provider performance and cost information.

Background:

Ohio would like to continue the waiver to exempt the state from the requirement to disseminate training provider performance and cost information.

The reduction to five percent in the WIA allotment for Program Year 2011 (Governor's Reserve funds restricts the state's ability to effectively fund and carry out all of the required statewide workforce investment activities.

Section I: Statutory or Regulatory Requirements to be Waived

Waiver of 20 CFR 665.200(b)(3) to exempt the state from the requirement to disseminate training provider performance and cost information.

Section II: State or Local Statutory or Regulatory Barriers Removed

Waiving the requirement to disseminate training provider information will enable the state to focus limited resources on other critical functions.

Section III: Goals to Achieve Using the Waiver

The state's goal in seeking this waiver is to ensure the state can prioritize the use of statewide funds for the required statewide activities deemed most essential. The state's reduced funds are being used to cover the following required activities:

- a) Operating a fiscal and management accountability information system, based on guidelines established by the Secretary after consultation with the Governor, chief elected officials, and One-Stop partners, as required by WIA section 136(f), [WIA Sections 129(b)(2), 134(a)(2), and 136(e)(2);
- b) Submitting required reports (WIA Section 136(f);
- c) Disseminating the list of eligible providers of training services (including those providing non-traditional training services), for adults and dislocated workers;
- d) Providing technical assistance to local areas that fail to meet local performance measures;
- e) Conducting required rapid response activities, as described in Section 665.310;
- f) Information identifying eligible providers of on-the-job training and customized training;
- g) A list of eligible providers of youth activities as described in WIA Section 123;

- h) Assisting in the establishment and operation of One-Stop delivery systems, in accordance with the strategy described in the state workforce investment plan. [WIA Section 112(b)(140)], and
- i) Providing additional assistance to local areas that have high concentrations of eligible youth.

Sections IV. and V. do not apply.

Section VI: Process to Monitor the Progress in Implementation of the Waiver

The state will monitor progress and ensure accountability for Federal funds in connection with this waiver by reviewing monthly expenditure performance and other reports through regular contact with the ETA Regional Office liaisons and through its monitoring and performance accountability system.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

Workforce development stakeholders were notified of the proposed waiver request through an E-mail alert regarding the new State Plan and waiver requests. The E-mail alert contained instructions on how to submit comments. In addition, both the general public and stakeholders had access to the waiver request on our web site: <http://jfs.ohio.gov/owd/WorkforceProf/waivers>. The public comment period was open for thirty days.

Waiver Questions, Comments Received, and the State's Responses

No comments were received on this waiver request.

Estimated Costs to Carry Out the Required Activity for Which the Waiver is Needed

Ohio estimates that disseminating training provider performance information would be in the \$1 million range because of necessary data collection. Performance data does not exist for some programs, and training providers have reported great difficulty in gathering performance data on WIA students. That is why Ohio has also requested the waiver of the time limit for eligible training providers. The state's eligible training provider list contains nearly 1,500 in- and out-of-state providers. Expending considerable resources to acquire and disseminate provider outcomes is not justified, given that fewer and fewer participants are being placed in long-term training services. During the two week period ending on October 12, 2012, less than 4,000 participants were enrolled in training services. As indicated in Sections I and II of the Integrated Workforce Plan, Ohio favors a strategic focus on direct placements and short-term training to meet the specific job requirements of employers that are hiring. However, Ohio does provide and will continue to provide direct links to provider websites, so cost information related to tuition, fees, books, and fees is available on-line.

How Statewide Funds Are Being Used (for both required and allowable statewide activities)

See Section III. above. Spending for statewide required and allowable activities totaled almost \$31.6 million in PY 2010 and went down to \$13.5 million in PY 2011.

How Funds Are Being Prioritized Across Activities

Funds are prioritized for activities stated in Section III. above which promote and ensure program accountability, integrity, and solvency.

The Extent to Which the Funding Levels are Insufficient to Cover the Activity for which a Waiver Is Requested

Ohio's statewide funds have gone from just over \$26 million in Program Year 2008 to under \$4.7 million in Program Year 2012. This is a reduction of 82 percent over just four years and a reduction of 11 percent in the last year alone. Funding is insufficient to undertake the collection and dissemination of training provider performance information.

According to Ohio's PY 2011 WIA Financial Statement, statewide 15 percent expenditures totaled over \$13.5 million and funds obligated totaled over \$2.7 million. The carry forward into PY 2012 equaled \$8.8 million. This carry forward plus new PY 2012 and FY 2013 statewide funds of \$4.6 million totals \$13.5 million funds available.

State level costs to administer the program were approximately \$11.5 million in State Fiscal Year 2012. Ohio hopes to reduce that to \$8 million for this year. This includes approximately \$4 million for the Office of Information Systems for the electronic case management system and system infrastructure costs, plus \$2 million each for Fiscal and Monitoring Services and the Office of Workforce Development. A small additional amount is needed for other ODJFS functions such as Legal, Communications, and Employee and Business Services. Additional statewide activities which are required include the Governor's Executive Workforce Board (approximately \$400,000), OhioMeansJobs.com (WIA portion at almost \$800,000), Regional Coordinators at the Development Services Agency (approximately \$2 million), technical assistance vendor (approximately \$76,000) and a few small initiatives funded by carry-forward funds. Ohio anticipates that statewide expenditures for the current program year (assuming the requested waivers are approved) may total approximately \$12.8 million. This may result in potentially less than \$1 million in carry forward into PY 2013. This would mean expenditures that totaled \$13.5 in PY 2011 would need to total no more than \$5 million in PY 2013. Because the projected costs for PY 2013 exceed the amount of anticipated revenue, Ohio absolutely needs to have carry forward. Therefore, Ohio is reducing overall costs, and some existing WIA costs will be re-directed to NEG, Rapid Response, and/or competitive grant activities, as allowable and available. Ohio must continue to reduce, wherever possible and permitted.

Anticipated Impact of Not Funding the Activity

It is anticipated that there will be no direct impact on programs or to participants.

How the Waiver, if Approved, May Directly Affect WIA Participant Services

As stated above, WIA participant services will not be directly impacted. Ohio will continue to provide cost information online so participants can make informed choices.

Other Methods Utilized

WIA staff and service providers will continue to monitor student success to avoid using training providers that have poor performance records.

14. Waiver Request: Waiver of Six Month Limit on Employment for Disaster NEG

Background:

The Ohio Department of Job and Family Services (ODJFS), as the administrator of the Workforce Investment Act (WIA) in Ohio, is requesting the U.S. Department of Labor (DOL) to waive the six month time limit on employment for Disaster National Emergency Grant participants and allow local areas to employ NEG participants for up to nine months.

ODJFS currently administers one disaster NEG (OH-25) and may seek a new disaster NEG relative to the FEMA Emergency Declaration for the statewide severe storms and strong winds on June 29 – July 2, 2012.

The waiver we are requesting is to allow local workforce investment areas to extend the currently allowed six months (1,040 hours) of disaster related employment to a maximum of nine months (1,560 hours). This increase in the duration of employment will also increase the allowable maximum earnings from \$12,000 to \$18,000 per participant.

Justification for Waiver

Many disaster NEG participants have exhausted Unemployment Compensation benefits and enter the program with very few resources remaining. Six months of work experience has proven to be insufficient to gain marketable skills and achieve financial stability in the current economic conditions. An additional three months of income stability will enable participants to further hone their work skills and increase their opportunities for gainful employment. Employers are more likely to hire individuals who have a proven record of prolonged employment and practiced abilities in equipment operation and working with a team. During a recent monitoring visit by DOL officials, several participants and project operators pleaded for a longer period of NEG-funded work experience in order for participants to successfully attain employment.

Participants working to clear disaster debris from public lands and waterways possess institutional knowledge of NEG implementation. Their experience includes extensive training in identification of endangered species, management of forestry and waterways, equipment safety, and CPR. Participants serving as crew leaders possess managerial experience and expertise in mechanical operations and inventory oversight. Working in Ohio's rural areas, which include a vast expanse of waterways having swift flows and steep embankments, requires a high degree of training and knowledge to accomplish this work in a safe manner. Additionally, many streams and rivers in Ohio support protected wildlife and vegetation that is unique to this part of the Midwest, and experience is necessary to remove debris without disrupting the fragile habitat.

For project operators, the recruiting, hiring, and training of new participants every six months interrupts the flow of the program and results in reduced productivity and increased risk of injuries and equipment damage during the training period. Additionally, the majority of the counties with flood and storm damage tend to also have the highest rates of unemployment in the State, well above the national average, which makes job placement difficult at the end of the six month work experience.

Section I: Statutory and/or Regulatory Requirements to Be Waived

Ohio is seeking a waiver of WIA Section 173(d)(3) and 20 CFR 671.140(e) which limit the amount of disaster relief employment to six months (1,040 hours) for a single natural disaster.

Section II: State or Local Statutory or Regulatory Barriers Removed

There are no known state barriers or local barriers.

Section III: Goals to Achieve Using the Waiver

The goal of this waiver is to provide participants more time to earn stable income, increase work skills and knowledge, and improve the likelihood of gainful employment when they meet their time limit. Also, less frequent hiring and training of participants will allow local areas to operate the program more effectively.

Section IV: Programmatic Outcomes to Achieve Using the Waiver

Participants who are able to spend more time in disaster NEG work experience will develop skills necessary to find employment and attain self-sufficiency. Ohio's WIA performance measures should improve as a result. Also, project operators may focus limited administrative funding on on-going project management rather than frequent recruiting and hiring activities.

Section V: Individuals impacted by the Waiver

National Emergency Grant participants must be dislocated workers or long term unemployed individuals as defined by Ohio as being unemployed for 15 out of the last 26 weeks. The eligible participants who enroll in the project will be impacted positively by the approval of this waiver.

Section VI: Process for Monitoring Progress in Implementation

The State will monitor progress and ensure accountability for Federal funds in connection with this waiver by reviewing participant performance and expenditure reports twice per month. Additionally, state staff will monitor the worksites and review program compliance monthly.

Section VII: Process to Provide Notice to Local WIBs and Opportunity to Comment

ODJFS will provide technical assistance and policy guidance through an agency issuance if this waiver is approved. This waiver request will be distributed by e-mail to the WIB Directors and the WIA Executive Directors (if applicable).

Section VIII: Public Comment

For two weeks, this waiver request was posted for public comment on the ODJFS webpage at <http://jfs.ohio.gov/owd/Whats-New.stm>. The state proactively solicited E-mail comments related to the waiver to WIAQNA@jfs.ohio.gov.

Waiver Questions, Comments Received, and the State's Responses

ODJFS received two comments, and both indicated support for this waiver.